THE HON'BLE SRI JUSTICE L.NARASIMHA REDDY

WRIT PETITION No.8376 OF 2007

Dated 23rd April 2007

Between:

Hindustan Shipyard Staff Coop.House Building Society

…Petitioner

and

The Registrar of Cooperative Societies, Visakhapatnam & others.

…Respondents

THE HON'BLE SRI JUSTICE L.NARASIMHA REDDY

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O R D E R:

At the instance of the petitioner, surcharge proceedings, under Section 60 of the A.P. Cooperative Societies Act, 1964 (for short "the Act") are initiated, against respondents 3 to 14 (for short "the respondents"), before the Deputy Registrar of Cooperative Societies, Visakhapatnam. Through an order, dated 29.9.2001, the Deputy Registrar absolved the respondents from the liability. Aggrieved by this order, the petitioner society filed O.A.No.18 of 2007, before the A.P. Cooperative Tribunal, Visakhapatnam. The OA was dismissed on 29.3.2007. Hence this writ petition.

Learned counsel for the petitioner submits that though the allegation against the respondents was serious in nature, and there existed voluminous material to prove the same, the Deputy Registrar,

as well as the Tribunal, have dropped the proceedings, without appreciating them in proper perspective.

The very basis for initiation of surcharge proceedings, under Section 60 of the Act, is the report submitted by the concerned authority, in an audit, inspection or enquiry, under the relevant provisions of the Act. In the instant case, an inspection under Section 52 of the Act had taken place, on the allegation of misappropriation of a sum of Rs.2,17,000/-, against the respondents. However, in the resultant report, it was pointed out that the allegation, against the respondents, is not true. Despite the same, surcharge proceedings were initiated, under Section 60 of the Act. The Deputy Registrar observed that there was absolutely no basis for the very initiation of surcharge proceedings. The Tribunal discussed the mater, at length, on correct lines and in proper perspective. It came to the conclusion that there are no merits in the O.A. and dismissed the same. This court does not find any basis to entertain the writ petition.

The writ petition is accordingly dismissed. There shall be no order as to costs.

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23rd April 2007

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